

Senate Bill No. 760

Passed the Senate May 18, 2009

Secretary of the Senate

Passed the Assembly July 9, 2009

Chief Clerk of the Assembly

This bill was received by the Governor this _____ day
of _____, 2009, at _____ o'clock ____M.

Private Secretary of the Governor

CHAPTER _____

An act to add Section 14673.11 to the Government Code, relating to state property, and making an appropriation therefor.

LEGISLATIVE COUNSEL'S DIGEST

SB 760, Aanestad. State property: City of Red Bluff.

Existing law authorizes the Director of General Services to acquire and convey real property for the state, whenever that transfer of the real property is authorized or contemplated by law.

This bill would authorize the director to sell, lease, exchange, or any combination thereof approximately 3.14 acres of real property in the City of Red Bluff that is specifically declared not to be surplus to the needs of the state, and, in return, to acquire up to 40,000 net square feet of usable office and related space for consolidated administrative operations of the state. The bill would also provide that the funds derived from the disposition of the real property would be appropriated to the Department of General Services to expend for the purposes of the bill.

Appropriation: yes.

The people of the State of California do enact as follows:

SECTION 1. Section 14673.11 is added to the Government Code, to read:

14673.11. (a) The Legislature finds and declares all of the following:

(1) The state owns approximately 3.14 acres of real property located at 2440 Main Street in the City of Red Bluff, with improvements, currently used for state offices.

(2) For purposes of this section, the real property described in paragraph (1) shall be referred to as the "Red Bluff Property."

(3) Continuing the consolidated operations of the various state agencies in one location will greatly facilitate and improve the efficiency of the administrative operations of the state.

(4) The Red Bluff Property may be sold, exchanged, leased, or any combination thereof, and the proceeds used to carry out the

intent of the Legislature to consolidate various departments and state agencies to protect the health and safety of the people.

(5) The disposition of the Red Bluff Property authorized in this section does not constitute a sale or other disposition of surplus state property within the meaning of Section 9 of Article III of the California Constitution and shall not be subject to subdivision (g) of Section 11011.

(b) The Director of General Services may sell, exchange, lease, or any combination thereof, all or a portion of the Red Bluff Property. The director shall use the proceeds of any sale, exchange, or lease made pursuant to this subdivision to acquire the land and facilities described in subdivision (g) to consolidate various state departments in closer proximity within the City of Red Bluff.

(c) Any exchange, lease, or sale of properties carried out pursuant to this section shall be for no less than fair market value, as determined by an independent appraisal or pursuant to a competitive selection process. Compensation for the Red Bluff Property may include land, or a combination of land, improvements, and money.

(d) (1) Any funds received from the sale, exchange, or lease of the Red Bluff Property authorized by this section shall be held in trust and used only for the acquisition, lease, lease-purchase, lease with an option to purchase, or lease-purchase finance of the land and facilities identified in subdivision (g) and are hereby appropriated to the Department of General Services for expenditure for the purposes of this subdivision.

(2) For the purposes of this section, the terms “lease” or “leases” mean the selection and acquisition of a lease-purchase, lease-purchase finance, or lease with an option to purchase pursuant to this subdivision.

(e) The Department of General Services shall be reimbursed for any reasonable cost or expense incurred for the transactions described in this section from the proceeds of the sale, lease, or exchange of the Red Bluff Property.

(f) For the purposes of this section, the Red Bluff Property shall not be subject to the provisions of Section 11011.1 or Article 8 (commencing with Section 54220) of Chapter 5 of Part 1 of Division 2 of Title 5.

(g) (1) The director may enter into one or more agreements or leases for the purposes of providing usable office and related space

not to exceed 40,000 net square feet in the City of Red Bluff in order to consolidate various departments and state agencies. It is the intent of the Legislature that the state obtain an equity interest in any land or facility authorized by this subdivision.

(2) Notwithstanding Section 14669, the department shall advertise and award the lease or leases to the proposer offering to provide a building or buildings that meet the state's requirements and that the director determines are in the best interest of the state. The director may also lease all or part of the Red Bluff Property for a period not to exceed 66 years.

(h) (1) The Department of General Services shall develop the terms and conditions of any agreements or lease, and provide them to the Department of Finance for review prior to soliciting bids. The Department of General Services shall obtain approval from the Department of Finance prior to execution of any agreement or lease.

(2) The Department of General Services shall notify the chairperson of the committee in each house that considers appropriations and the Chairperson of the Joint Legislative Budget Committee, or his or her designee, in writing of the director's intention to enter into a lease or an agreement, not sooner than a lesser time that the Chairperson of the Joint Legislative Budget Committee, or his or her designee, may in each instance determine. If any of the three committees fail to take an action with respect to the submittal within 45 days after the submittal, this inaction shall be deemed to be approval for purposes of this section.

Approved _____, 2009

Governor